



Council On Affordable Housing

NEWSLETTER

September 2000

Revised Rules Adopted

The Council on Affordable Housing (COAH) adopted amendments to N.J.A.C. 5:93-6.5 and 7.4 and the corresponding Response and Comment document at its September 6, 2000 meeting. These amendments and the Response and Comment document will become effective as of publication in the October 2, 2000 New Jersey Register.

Both rule amendments affect municipalities that petition for certification or request an amendment to certification after January 1, 2001. The first amendment increases the cost for each unit transferred through a regional contribution agreement (RCA) from \$20,000 to \$25,000. If a municipality transfers a rental obligation, the per unit cost must exceed \$25,000.

The second amendment reduces the initial maximum rents and sales prices for affordable units. Rents are to be affordable to households earning no more than 60 percent of median income with the average rent not to exceed affordability at 52 percent of median income. Sales prices may not exceed affordability for households at 70 percent of median income with the average not to exceed affordability at 55 percent of median income.



COAH Approves 100th RCA

Three regional contribution agreements (RCA) received approval from the

Council on Affordable Housing (COAH) at its September 6, 2000 meeting, bringing the total to 100 RCAs approved to date, addressing 6,941 units at a total cost of \$135,881,735.

Waldwick Borough, Bergen County, is transferring four units to the **City of Bayonne, Hudson County**. The \$80,000 will finance the gut rehabilitation of four rental units in Bayonne, which will satisfy Waldwick's four-unit rental obligation.

The **East Windsor Township, Mercer County** (40 units, \$800,000),

and the **Lawrence Township, Mercer County** (98 units, \$1,960,000), RCAs are both with the **City of Trenton, Mercer County**. Trenton was granted RCA Recipient Certification by COAH and may use the RCA funds for any projects in four categories: limited or moderate rehabilitation of one- to four-family buildings; substantial rehabilitation or new construction of one- to four-family buildings; substantial rehabilitation or new construction of buildings containing more than four units or adaptive re-use of non-residential structures into buildings containing more than four units; and substantial rehabilitation or new construction of buildings for special needs housing, including transitional housing for the homeless.

Three Municipalities Receive COAH Certification

At its September meeting, the Council on Affordable Housing (COAH) granted substantive certification to three municipalities - one conditional and two final. This raises the total number of municipalities with second round (1987-1999) certifications to 161.

Sparta Township, Sussex County, received conditional substantive certification for a plan addressing an obligation of 133 units - 57 rehabilitation units and 76 new construction units. Sparta received credit for 10 units in two group homes, three age-restricted units, 29 assisted living units and nine rental bonuses. The township also received a reduction of 17 units on a zoned site that addressed Sparta's first round obligation. Sparta's fair share obligation of 65 units will be addressed with two new inclusionary sites (27 units), a site contributing a fee in lieu of construction and a 38-unit housing rehabilitation program.

East Windsor Township, Mercer County, had its second round 390-unit precertified need reduced to 368 units (23 rehabilitation/345 new construction) due to a first round employment adjustment. East Windsor received 113 prior cycle credits and 192 credits and reductions for units addressed through alternative living arrangements (21), age-restricted rentals (54), family rentals (51),

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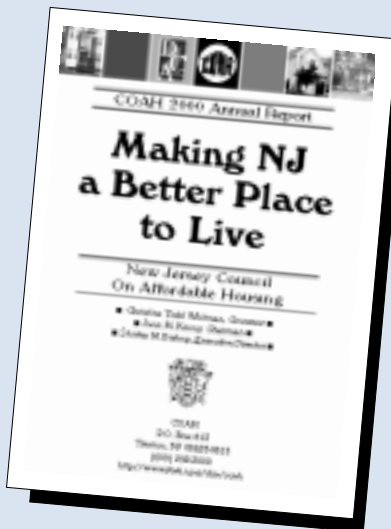
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Draft Uniform Affordability Controls

A joint committee of representatives from the Council on Affordable Housing (COAH), the New Jersey Housing and Mortgage Finance Agency (HMFA), the New Jersey Department of Community Affairs (DCA), the Balanced Housing Program of DCA and the Housing Affordability Service (HAS) of DCA recently released draft regulations designed to establish uniform affordability controls for all housing agencies. In the past, each agency had separate and sometimes conflicting regulations regarding the exercise of affordability controls on units for low and moderate income households, creating confusion for municipalities and developers. Once effective, all five agencies will administer their respective programs under the same affordability controls. The COAH board will review the proposed regulations at its October 4, 2000 meeting.

COAH Annual Report

The Council on Affordable Housing's (COAH) Annual Report is now available. The Annual Report provides information, such as total units constructed, zoned or rehabilitated; units transferred through regional contribution agreements (RCA); development fee revenues and other data for municipalities certified by COAH. To request a copy of the report, contact Cindy Prisco at (609) 292-3000.



Three Municipalities ...continued

rental bonuses (58) and for-sale housing (8). The township will address its fair share of 63 units with a 23-unit rehabilitation program and a 40-unit regional contribution agreement (RCA) with the City of Trenton, also in Mercer County.

Waldwick Borough, Bergen County, a court transferred municipality, received a vacant land adjustment reducing its 91-unit (81 new construction/10 rehabilitation) second round obligation to a realistic development potential (RDP) of 32 units and a rehabilitation component of 10 units. Waldwick received credit for seven rehabilitated units, seven constructed units, a four-bedroom group home and four rental bonuses. To address its fair share of 20 units, the borough proposes the rehabilitation of three units through the Bergen County Home Improvement Program, zoning on four sites for 20 units and a four-unit RCA with Bayonne City, Hudson County. Waldwick will have a surplus of seven units.



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